

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA,)	
600 E Street, N.W., Suite 9500)	
Washington, D.C. 20530)	
Plaintiff,)	
)	
v.)	Civil Action No. 1:99CV01318
)	
COMPUTER ASSOCIATES)	JUDGE: Gladys Kessler
INTERNATIONAL, INC. and)	
PLATINUM TECHNOLOGY)	DECK TYPE: Antitrust
INTERNATIONAL, INC.,)	
)	DATE STAMP:
Defendants.)	

AMENDMENTS TO COMPLAINT

Joel I. Klein
Assistant Attorney General

John M. Nannes
Deputy Assistant
Attorney General

Constance K. Robinson
Director of Operations
and Merger Enforcement

Nancy M. Goodman
Chief, Computers & Finance
Section

N. Scott Sacks
Assistant Chief, Computers &
Finance Section

Kent Brown
VA Bar # 18300
Kenneth W. Gaul
D.C. Bar # 415456
Weeun Wang
Sanford M. Adler

Jeremy W. Eisenberg
Richard Koffman
Melinda Foster
Jeremy Feinstein

Attorneys

Antitrust Division
U.S. Department of Justice
Computers & Finance Section
Suite 9500
600 E Street, N.W.
Washington, D.C. 20530
(202) 307-6200

)	
UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	
v.)	Civil Action No. 1:99CV01318
)	
COMPUTER ASSOCIATES)	JUDGE: Gladys Kessler
INTERNATIONAL, INC. and)	
PLATINUM <i>TECHNOLOGY</i>)	DECK TYPE: Antitrust
INTERNATIONAL, <i>INC.</i> ,)	
)	DATE STAMP:
Defendants.)	
)	

On May 25, 1999, the United States of America, acting under the direction of the Attorney General of the United States, filed a Complaint (attached hereto as Exhibit One) to commence this civil action to obtain equitable relief against defendants. At the same time, the parties filed a Hold Separate Stipulation and Order ("Hold Separate") (entered by the Court on May 26, 1999) and a proposed Final Judgment. In Section V.B(1) of the Hold Separate, the defendants, Computer Associates International, Inc. ("CA") and PLATINUM *technology* International, *inc.* ("Platinum"), consented to the amendment of the Complaint to include allegations relating to the markets in which a group of products, collectively referred to in the Hold Separate as the "CIMS product line," is developed, marketed and sold if the defendants were unable to convey all of Platinum's rights, titles and

interests in the CIMS product line in the manner specified in Section V.A of the Hold Separate. Defendants were unable to convey the CIMS product line in the manner specified in the Hold Separate. Therefore, in accordance with Section V.B(1) of the Hold Separate, the United States, acting under the direction of the Attorney General of the United States, hereby amends the May 25, 1999 Complaint in this action, and alleges as follows:

1. Paragraph 3 is amended to allege as follows:

3. CA is the dominant competitor holding market shares of 70% or more in a number of mainframe systems management software products for the MVS (now named OS/390) and VSE operating systems that run on IBM and IBM-compatible mainframe computers. These products include tape management, job scheduling and rerun, change management, and job accounting and chargeback for the MVS and OS/390 platforms; and job scheduling and rerun, automated operations and job accounting and chargeback for the VSE platform.

2. Paragraph 17 is amended to allege as follows:

17. Due to the lack of substitutability between systems management software across the different operating systems, and among systems management software products of different functionality, each of the following products as to which CA and Platinum are competitors constitutes a line of commerce and relevant product market within the meaning

of Section 7 of the Clayton Act: MVS and OS/390 tape management software; MVS and OS/390 job scheduling and rerun software; VSE job scheduling and rerun software; MVS and OS/390 change management software; VSE automated operations software, MVS and OS/390 job accounting and chargeback software; and VSE job accounting and chargeback software.

3. The following Paragraph 23A is alleged after Paragraph 23:

23A. MVS and OS/390 job accounting and chargeback software. Job accounting and chargeback software monitors the use of computer resources so that computer resource costs may be allocated and charged among internal corporate divisions and/or third party client users. The software collects data that shows which computer resources were being used by whom, when, and for how long. This data is then used to measure, allocate and charge shared costs to internal corporate divisions and/or third party client users. Job accounting and chargeback software, including such software sold by CA and Platinum, is often combined with a capacity planning software feature, which uses the data compiled by the job accounting and chargeback software to report on measures such as system response performance, task availability, resource utilization, and future utilization projections. CA is the overwhelmingly dominant competitor in the market for MVS and OS/390 job accounting

and chargeback software with a market share exceeding 90%. CA's total U.S. sales in 1998 of products providing this functionality exceeded \$140 million. Platinum is the largest of only two other vendors of job accounting and chargeback software who have more than a trivial presence in this market. The market is highly concentrated with an HHI exceeding 8100, and the proposed acquisition would significantly increase the HHI and reduce to only one the number of significant competitive alternatives to CA's products that provide job accounting and chargeback functionality.

4. The following Paragraph 23B is alleged after new Paragraph 23A:

23B. VSE job accounting and chargeback software.

These VSE products perform essentially the same functions as MVS and OS/390 job accounting and chargeback software. CA product sales account for the vast majority of all sales in this market, and CA is the overwhelmingly dominant competitor. Platinum is the only other vendor in this market with more than a trivial presence. The proposed acquisition would substantially increase concentration in this highly concentrated market and leave customers with little alternative to CA's products.

5. Paragraph 30 is amended to allege as follows:

30. Unless restrained, CA's proposed acquisition of

Platinum is likely substantially to lessen competition in the United States in markets for MVS and OS/390 tape management software, MVS and OS/390 job scheduling and rerun software, VSE job scheduling and rerun software, MVS and OS/390 change management software, VSE automated operations software, MVS and OS/390 job accounting and chargeback software, and VSE job accounting and chargeback software in the following ways:

- a. Actual and potential competition between CA and Platinum will be eliminated in each of the markets;
- b. Competition generally in each of the markets is likely to be substantially lessened; and
- c. Prices are likely to increase and the quality of product support and development is likely to decrease in each of the markets.

DATED: June 7, 1999

For Plaintiff:

_____/s/_____
Joel I. Klein
Assistant Attorney General

_____/s/_____
John M. Nannes
Deputy Assistant Attorney
General

_____/s/_____
Constance K. Robinson
Director of Operations and
Merger Enforcement

_____/s/_____
Nancy M. Goodman
Chief, Computers & Finance
N. Scott Sacks
Assistant Chief, Computers &
Finance
Kent Brown
Kenneth W. Gaul
Weeun Wang
Sanford M. Adler
Jeremy W. Eisenberg
Richard Koffman
Melinda Foster
Jeremy Feinstein

Attorneys

Antitrust Division
U.S. Department of Justice
Computers & Finance Section
Suite 9500
600 E Street, N.W.
Washington, D.C. 20530
(202) 307-6200

EXHIBIT ONE